



Agenda Date: 12/19/01  
Agenda Item: 3G

## **STATE OF NEW JERSEY**

### **Board of Public Utilities**

*Two Gateway Center  
Newark, NJ 07102*

IN THE MATTER OF THE ALLEGED FAILURE	)	<u>CABLE TELEVISION</u>
OF CERTAIN SUBSIDIARIES OF CSC	)	
HOLDINGS, INC. TO COMPLY WITH	)	
PROVISIONS OF THE NEW JERSEY CABLE	)	<u>ORDER ACCEPTING</u>
TELEVISION ACT, <u>N.J.S.A. 48:5A-1 et seq.</u> , AND	)	<u>OFFER OF SETTLEMENT</u>
THE NEW JERSEY ADMINISTRATIVE CODE,	)	
<u>N.J.A.C. 14:18-1.1 et seq.</u>	)	DOCKET NO. CO01120806
	)	

(SERVICE LIST ATTACHED)

BY THE BOARD<sup>1</sup>:

Cablevision Systems Corporation owns the stock of CSC Holdings, Inc. a cable television multi-system operator which by itself or through various operating subsidiaries provides cable television services to approximately 950,000 New Jersey subscribers throughout 179 municipalities in Bergen, Essex, Hudson, Mercer, Middlesex, Monmouth, Morris, Passaic, Somerset, Sussex, Union and Warren Counties, including Cablevision of Allamuchy ("Cablevision Allamuchy"), Cablevision of Bayonne ("Cablevision Bayonne"), Cablevision of New Jersey, Inc. ("Cablevision Bergen"), Cablevision of Hudson County, Inc. ("Cablevision Hudson"), Cablevision Monmouth, Inc. ("Cablevision Monmouth"), Cablevision of Newark ("Cablevision Newark"), Cablevision of Oakland, Inc. ("Cablevision Oakland"), Cablevision of Paterson, Inc. ("Cablevision Paterson"), CSC TKR, Inc. D/B/A Cablevision of Elizabeth ("Cablevision Elizabeth"), CSC TKR, Inc. D/B/A Cablevision of Hamilton ("Cablevision Hamilton"), CSC TKR, Inc. D/B/A Cablevision of Morris ("Cablevision Morris"), CSC TKR, Inc. D/B/A Cablevision of Raritan Valley ("Cablevision Raritan Valley"), Cablevision of Rockland/Ramapo, Inc. ("Cablevision Rockland/Ramapo") Cablevision of Warwick, Inc. ("Cablevision Warwick") (collectively "Cablevision"). The Board's Office of Cable Television Inspection and Enforcement Bureau ("Office"), after conducting a routine compliance review and serving notice of its allegations on Cablevision has alleged that Cablevision was not conforming to certain provisions of the New Jersey State Cable Television Act, N.J.S.A. 48:5A-1 et seq. and The New Jersey Administrative Code, N.J.A.C. 14:18-1.1 et seq., as more specifically set forth herein below. The aforementioned statutes and regulations require all cable systems in New Jersey to provide protection to the cable consumer.

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<sup>1</sup> Commissioner Carol J. Murphy did not participate in the deliberation or the vote on this matter.

As a result of correspondence, telephone conversations and settlement conferences between Cablevision and the Office, Cablevision submitted an Offer of Settlement concerning the following alleged non-conforming practices:

1. that Cablevision Monmouth, Cablevision Morris, Cablevision Newark, Cablevision Oakland, Cablevision Paterson and Cablevision Raritan Valley, failed to disclose all of their respective monthly services, packages and corresponding rates to residential customers, pursuant to N.J.A.C. 14:18-3.18(a)1, for some or all of the years of 1998, 1999 and 2000;
2. that Cablevision Allamuchy, Cablevision Monmouth, Cablevision Morris, Cablevision Newark, Cablevision Oakland, Cablevision Paterson and Cablevision Raritan Valley, failed to disclose all of their respective monthly services, packages and corresponding rates to non-residential customers, pursuant to N.J.A.C. 14:18-3.18(a)1, for some or all of the years of 1998, 1999 and 2000;
3. that Cablevision Monmouth, Cablevision Morris, Cablevision Newark, Cablevision Paterson and Cablevision Raritan Valley, failed to file and maintain complete tariffs showing all rates, terms, conditions of service and service packages and disclose same to their customers, pursuant to N.J.S.A. 48:5A-11, N.J.S.A. 48:5A-36(b), N.J.A.C. 14:18-3.3(d), N.J.A.C. 14:18-3.4 and N.J.A.C. 14:18-3.16(a)1 for some or all of the years of 1998, 1999 and 2000;
4. that Cablevision Bayonne, Cablevision Monmouth, Cablevision Morris, Cablevision Oakland, Cablevision Paterson and Cablevision Raritan Valley, failed to identify on their monthly billing statements each service for which a separate charge is imposed and the rate for each service, pursuant to N.J.A.C. 14:18-3.7(a)2 for some or all of the years of 1998, 1999 and 2000;
5. that Cablevision Allamuchy, Cablevision Monmouth, Cablevision Morris, Cablevision Newark, Cablevision Oakland, Cablevision Paterson and Cablevision Raritan Valley, failed to provide all new subscribers with a complete copy of their respective tariffs, pursuant to N.J.A.C. 14:18-3.3(d), for some or all of the years of 1998, 1999 and 2000;
6. that Cablevision Monmouth, Cablevision Morris, Cablevision Newark, Cablevision Oakland, Cablevision Paterson and Cablevision Raritan Valley, overcharged subscribers by levying a charge for replacement equipment that exceeded their actual or replacement cost, pursuant to N.J.A.C. 14:18-3.23, for some or all of the years of 1998, 1999 and 2000;
7. that Cablevision Morris, failed to provide its subscribers and affected municipalities advanced, complete or sufficient notice of an alteration of channel allocation, pursuant to N.J.A.C. 14:18-3.17(b), for the year of 2000;
8. that Cablevision Morris and Cablevision Oakland, failed to post a complete copy of their respective tariffs in a prominent location in their local business offices, pursuant to N.J.A.C. 14:18-3.4(b), for the year of 2000;

9. that Cablevision Allamuchy, failed to maintain copies of filings required by the FCC related to the operation of that particular system, in its local business office, pursuant to N.J.A.C. 14:18-6.2(b), for some or all of the years of 1998, 1999 and 2000;
10. that Cablevision Morris, failed to provide its subscribers with a specific due date for payments on the subscriber's bills that affords them no less than 15 days to pay from the date of the bill, pursuant to N.J.A.C. 14:18-3.9(a), for some or all of the years of 1998, 1999 and 2000;
11. that Cablevision Morris, failed to provide its subscribers with the period of service covered by current charges on their monthly billing statements, pursuant to N.J.A.C. 14:18-3.7(a)9, for some or all of the years of 1998, 1999 and 2000;
12. that Cablevision Morris, failed to provide its subscribers with such information as is reasonable in order that they may obtain safe, adequate, efficient and economical service, including, but not limited to, conditions under which service may be secured from its system, a written description of any auxiliary equipment such as converter or remote control units necessary to receive cable television service, and an explanation of how such equipment interfaces with subscriber owned equipment, pursuant to N.J.A.C. 14:18-3.3(a),(b) and (c) and N.J.A.C. 14:18-3.4, for the year of 2000;
13. that Cablevision Morris, failed to remit the appropriate franchise fees to the Township of Rockaway, pursuant to N.J.S.A. 48:5A-30, for the year of 2000;
14. that Cablevision Oakland, failed on two occasions to report to the Office, on a form prescribed by the Director, an outage affecting 50 or more subscribers where service to subscribers was interrupted for at least two hours, pursuant to N.J.A.C. 14:18-6.6(a), for the year of 2000;
15. that Cablevision Monmouth, failed to provide its subscribers with annual notification of the availability of an advanced payment discount, provided in its filed tariff, for payments more than 30 days in advance, pursuant to N.J.A.C. 14:18-3.8(c) and N.J.A.C. 14:18-3.18(a)3 for some or all of the years of 1998, 1999 and 2000;
16. that Cablevision Hamilton, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE96020108, by failing to complete the rebuild/upgrade construction for the Township of Hamilton by the revised commitment date of July 1, 1998;
17. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE91121780, by failing to complete the rebuild/upgrade construction for the Borough of Cresskill by the commitment date of March 31, 1996;

18. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE91101675, by failing to complete the rebuild/upgrade construction for the Borough of Dumont by the commitment date of December 31, 1994;
19. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE94040109, by failing to complete the rebuild/upgrade construction for the Borough of Emerson by the commitment date of March 31, 1996;
20. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE91050948, by failing to complete the rebuild/upgrade construction for the Borough of Haworth by the commitment date of March 31, 1996;
21. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE92070692, by failing to complete the rebuild/upgrade construction for the Borough of New Milford by the commitment date of May 18, 1995;
22. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE91050949, by failing to complete the rebuild/upgrade construction for the Borough of Norwood by the commitment date of December 31, 1996;
23. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE91050950, by failing to complete the upgrade construction for the Borough of Old Tappan by the commitment date of December 31, 1996;
24. that Cablevision Bergen, failed to comply with the Board Order granting a Certificate of Approval in Docket No. CE92070691, by failing to complete the upgrade construction for the Borough of Woodcliff Lake by the commitment date of December 31, 1995; and
25. that Cablevision failed to comply with the Board Order approving a transfer of assets between Cablevision and Tele-Communications, Inc. ("TCI") in Docket No. CF97090674, by failing to comply with certain conditions of the Order, or comply within the time-frames specified.

Cablevision submitted its monetary Offer of Settlement in the amount \$150,000.00 in order to resolve all issues concerning the violations alleged by the Office. The Offer represents a reasonable settlement in view of the alleged violations and the operator's past compliance history. In addition to the monetary settlement, Cablevision has agreed to escrow an additional \$150,000.00 to cover its potential refund liability stemming from the Office's allegations.

The Office recommends acceptance of this Offer of Settlement based upon the aforementioned commitments and compliance with the New Jersey Cable Television Act and the New Jersey Administrative Code. The Office will monitor Cablevision's future notice requirements, billing practices and procedures and record keeping as set forth in the New Jersey Administrative

Code.

The Board has reviewed the matter and recommendation of the Office, and HEREBY FINDS it to be reasonable. Therefore, the Board HEREBY ACCEPTS the Offer of Settlement proffered by Cablevision subject to the following provisions, conditions and/or limitations:

1. Cablevision shall tender \$150,000.00 to the State of New Jersey and proof of deposit of the \$150,000.00 escrow within fifteen (15) days of the Board's acceptance of the Offer of Settlement.
2. Cablevision shall, within 30 days of the approval of a refund plan by the Office, cause a separately itemized bill credit to be applied to the entitled subscribers in the each system sharing in the escrow distribution. Said credits shall be identified as "BPU Credit"
3. Cablevision shall, within ten (10) days of effectuating the entire refund to the applicable subscribers, certify in writing to the Office that the refunds have been completed, of the date(s) the refunds were paid and the amounts refunded per subscriber, per system and the aggregate total refund.
4. The Board's acceptance of the Offer of Settlement is for the purposes of this proceeding only, addresses only those specific allegations and timeframes addressed in the Offer of Settlement and shall not be construed as limiting the Board's authority in any other matter affecting Cablevision.

5. For the purposes of assessing penalties for future offenses by Cablevision, such future offenses shall be considered subsequent offenses, in accordance with N.J.S.A. 48:5A-51b.

DATED: December 19, 2001

BOARD OF PUBLIC UTILITIES  
BY:

(signed)

CONNIE O. HUGHES  
PRESIDENT

(signed)

FREDERICK F. BUTLER  
COMMISSIONER

ATTEST:

(signed)

HENRY M. OGDEN  
ACTING SECRETARY

**IN THE MATTER OF THE ALLEGED FAILURE OF CERTAIN  
CABLE TELEVISION SUBSIDIARIES OF CABLEVISION SYSTEMS  
CORPORATION TO COMPLY WITH PROVISIONS OF THE NEW JERSEY  
CABLE TELEVISION ACT, N.J.S.A. 48:5A-1 et seq., AND  
THE NEW JERSEY ADMINISTRATIVE CODE, N.J.A.C. 14:18-1.1 et seq.**

**OFFER OF SETTLEMENT**

**DOCKET NO. CO01120806**

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